

Assembly Bill No. 866

Passed the Assembly September 5, 2003

Chief Clerk of the Assembly

Passed the Senate September 3, 2003

Secretary of the Senate

This bill was received by the Governor this _____ day of
_____, 2003, at _____ o'clock __M.

Private Secretary of the Governor

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CHAPTER _____

An act to amend Sections 30940, 30947, and 30950 of the Public Resources Code, and to amend Section 79543 of, and to add Section 79563.5 to, the Water Code, and to repeal Section 7 of Chapter 727 of the Statutes of 2002, relating to water quality.

LEGISLATIVE COUNSEL'S DIGEST

AB 866, Pavley. Water quality.

(1) The Watershed, Clean Beaches, and Water Quality Act provides for a program of grants to public agencies and nonprofit organizations for projects designed to improve water quality at public beaches, improve water quality monitoring and sewer capability, protect water quality by reducing runoff pollution, and control nonpoint source water pollution.

Under the agricultural water quality grant program of the act, the State Water Resources Control Board (board) may award grants to public agencies or nonprofit organizations for the purposes of improving agricultural water quality. The board, in consultation with the Department of Food and Agriculture, is required to develop criteria for evaluating projects considered for grants under that program.

Under the Integrated Watershed Management Program of the act, the board may award grants to public agencies and nonprofit agencies for the implementation of watershed protection and water management projects that include specified elements.

Under the Small Community Groundwater Grant Program of the act, the board is required to give priority to specified projects related to contaminated groundwater.

This bill would require the board in developing criteria for evaluating projects considered for grants under the agricultural water quality grant program to also consult with the program advisory review board established to advise the University of California on pilot demonstration projects to implement biologically integrated farming systems.

This bill would include, as elements of the Integrated Watershed Management Program, water conservation, water use efficiency, and water supply reliability; and, an enforceable waste discharge program, as described.



This bill would include, in the projects to which the board is required to give priority under the Small Community Groundwater Grant Program, projects identified by the board, in consultation with the State Department of Health Services, as having a priority to address the needs of small community water systems.

This bill would repeal an uncodified provision that requires eligible projects funded under the act with proceeds from the sale of bonds to comply with specified restrictions in the State General Obligation Bond Law restricting the purposes for which proceeds from the sale of bonds subject to that law may be used. The bill instead would provide that the board may only expend funds from the proceeds of a bond act for the purposes of the act to the extent that the board determines that the expenditures are consistent with the requirements of the bond act and all the provisions of the State General Obligation Bond Law.

(2) The Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, an initiative measure approved by the voters at the November 5, 2002, statewide general election (Proposition 50), authorizes, for the purposes of financing acquisition and development projects, the issuance of bonds in the amount of \$3,440,000,000. That act further provides that from \$100,000,000 of the bond funds, not less than \$20,000,000 shall be expended to implement priority actions specified in the Santa Monica Bay Restoration Plan. The act also provides that from \$500,000,000 of the bond funds, not less than \$250,000,000 shall be appropriated to the State Water Resources Control Board for competitive grants for water management projects, including watershed management planning and implementation.

This bill would specify that any money made available under those provisions for the Santa Monica Bay Restoration Plan shall be allocated as recommended by the Santa Monica Bay Restoration Commission.

The bill would require the State Water Resources Control Board, subject to funds being appropriated from those Proposition 50 bond proceeds, to fund the development of one or more integrated coastal watershed management plans designed to provide for the integration of projects funded within one or more coastal regions, as specified.



The people of the State of California do enact as follows:

SECTION 1. Section 30940 of the Public Resources Code is amended to read:

30940. The board may award grants to public agencies or nonprofit organizations for the purposes of improving agricultural water quality through monitoring, demonstration projects, research, construction of agricultural drainage improvements, and for projects to reduce pollutants in agricultural drainage water through reuse, integrated management, or treatment. Grants made pursuant to this section may be used to provide matching funds for federal grant programs. The board, in consultation with the Department of Food and Agriculture and the program advisory review board established pursuant to Section 593 of the Food and Agricultural Code, shall develop criteria for evaluating projects considered for grants under this section.

SEC. 2. Section 30947 of the Public Resources Code is amended to read:

30947. (a) The Integrated Watershed Management Program is hereby established. Upon appropriation by the Legislature, funds allocated to the program may be used by the board, subject to the terms of the memorandum of understanding executed pursuant to Section 30946 to award grants to public agencies and nonprofit organizations for the development of local watershed management plans that meet the requirements of subdivision (c) of Section 79078 of the Water Code, and for the implementation of watershed protection and water management projects that include one or more of the following elements:

- (1) Stormwater capture and treatment.
- (2) Nonpoint source pollution reduction, management, and monitoring.
- (3) Groundwater recharge and management projects.
- (4) Water banking, exchange, and reclamation, and improvement of water quality.
- (5) Vegetation management to improve watershed efficiency, aquatic and terrestrial habitat, the creation and enhancement of wetlands, and the acquisition, protection, and restoration of open space.
- (6) Planning and implementation of multipurpose flood control programs that protect property and improve water quality



and stormwater capture and percolation, and protect or improve wildlife habitat.

(7) Watershed management planning and implementation.

(8) Demonstration projects to develop new water treatment distribution and nonpoint source pollution control methods.

(9) Erosion sediment control and stream enhancement projects, and permit coordination programs to facilitate watershed restoration projects that implement board approved management measures for polluted runoff.

(10) Monitoring, collection, and analysis of water quality and pollutant transport in groundwater and surface water.

(11) Native fisheries enhancement or improvement projects, and projects to restore other threatened species.

(12) Water conservation, water use efficiency, and water supply reliability.

(13) An enforceable waste discharge program, by a person who is subject to Article 4 (commencing with Section 13260) of Chapter 4 of Division 7 of the Water Code and for whom the board has a name and address, that implements best management practices and includes all of the following:

(A) A clear description of how a project will achieve and maintain water quality standards.

(B) A monitoring component that assesses the effectiveness of adopted practices.

(C) Submission of a report of waste discharge to the appropriate regional water quality control board.

(b) Upon completion of the project, the grantee shall submit a report to the board that summarizes the completed activities and indicates whether the purposes of the project have been met. The report shall include information collected by the grantee in accordance with the project monitoring and reporting plan, including, but not limited to, a determination of the effectiveness of the project in preventing or reducing pollution and the results of the monitoring program. The board shall make the report available to the public, watershed groups, and federal, state, and local agencies.

SEC. 3. Section 30950 of the Public Resources Code, as added by Section 1 of Chapter 727 of the Statutes of 2002, is amended to read:



30950. (a) For the purposes of this article, “small community” means a municipality with a population of 20,000 persons or less, a rural county, or a reasonably isolated and divisible segment of a larger municipality where the segment of the population is 20,000 persons or less, with a financial hardship, as determined by the board.

(b) The board may award grants under this article to assist small communities in complying with groundwater contaminant level requirements.

(c) The board may award grants under this article to local public agencies and private not-for-profit water companies.

(d) The board shall give priority to the following types of projects:

(1) Projects to provide an alternate source of water or to treat water where the existing supply of groundwater exceeds the maximum contaminant level of arsenic.

(2) Projects to provide an alternate source of water or to treat water where the existing supply of groundwater exceeds the maximum contaminant level for nitrate.

(3) Projects identified by the board, in consultation with the State Department of Health Services, as having a priority to address the needs of small community water systems.

(e) The board may make funds available under this article in each fiscal year to provide technical assistance or planning grants, or both, to small communities.

SEC. 4. Section 79543 of the Water Code is amended to read:

79543. (a) The sum of one hundred million dollars (\$100,000,000) shall be available for appropriation by the Legislature from the fund to the board for the purpose of financing projects that restore and protect the water quality and environment of coastal waters, estuaries, bays and nearshore waters, and groundwater.

(b) All expenditures, grants, and loans made pursuant to this section shall be consistent with the requirements of Article 5 (commencing with Section 79148) of Chapter 7 of Division 26.

(c) Of the money made available pursuant to this section, not less than twenty million dollars (\$20,000,000) shall be expended to implement priority actions specified in the Santa Monica Bay Restoration Plan. Money appropriated pursuant to this subdivision



shall be allocated as recommended by the Santa Monica Bay Restoration Commission.

(d) Money made available pursuant to this section shall supplement, not supplant, money appropriated or available pursuant to that Article 5 (commencing with Section 79148), and no money appropriated pursuant to this section shall be used for a project for which an appropriation was made pursuant to that Article 5 (commencing with Section 79148).

SEC. 5. Section 79563.5 is added to the Water Code, to read:

79563.5. (a) The board, to the extent that funds are appropriated pursuant to Section 79563 of the Water Code for purposes that are consistent with this section, shall fund the development of one or more integrated coastal watershed management plans.

(b) The plans shall be designed to allow for the integration of projects funded by the State Coastal Conservancy pursuant to Chapter 5.5 (commencing with Section 31220) of Division 21 of the Public Resources Code, and projects funded by the board pursuant to Chapter 3 (commencing with Section 30915) and Article 5 (commencing with Section 30945) of Chapter 4, of Division 20.4 of the Public Resources Code, within one or more coastal regions.

(c) The planning areas shall be selected by the board in consultation with the State Coastal Conservancy and the Department of Fish and Game and shall include coastal watersheds that influence water quality in areas of special biological significance.

(d) The board may only expend funds for the purposes of this section to the extent the board determines that the expenditures are consistent with the requirements of this chapter.

SEC. 6. Section 7 of Chapter 727 of the Statutes of 2002 is repealed.

SEC. 7. The State Water Resources Control Board may only expend funds from the proceeds of a bond act for the purposes of Division 20.4 (commencing with Section 30901) of the Public Resources Code to the extent that the board determines that the expenditures are consistent with the requirements of the bond act and Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code.



Approved _____, 2003

Governor

